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S E C R E T SECTION 01 OF 04 BANGKOK 002455

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TAGS: [PGOV](#) [PREL](#) [KDEM](#) [TH](#)

SUBJECT: THAILAND: AMBASSADOR DISCUSSES RECONCILIATION WITH
ADVISED TO BOTH PM AND CROWN PRINCE; VIKTOR BOUT RAISED

REF: A. BANGKOK 2405 (THAILAND, S MARCHING SEASON)
[1](#)B. BANGKOK 2260 (QUASHING THAKSIN PARDON SUGGESTIONS)
[1](#)C. BANGKOK 2125 (POLICE CHIEF BATTLE)
[1](#)D. BANGKOK 567 (AMBASSADOR PRESSES DEPUTY PM SUTHEP
ON VIKTOR BOUT EXTRADITION)
[1](#)E. BANGKOK 385 (ENGAGING PM ON BOUT)

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Classified By: CDA James F. Entwistle, reasons 1.4 (b) and (d).

SUMMARY AND COMMENT

[1](#)1. (C) Summary: Ambassador met with Niphon Promphan, Secretary-General for Prime Minister Abhisit and a trusted advisor of Crown Prince Vajiralongkorn, on September 24. Niphon expressed exasperation with the prolonged political stalemate and what he characterized as a degradation of Thai political culture. He nevertheless hoped for a solution to the impasse, based on amending the constitution, ensuring some accountability for gross violations of the law by both yellow-shirts and red-shirts, and a reconciliation/amnesty deal which would have to include Thaksin. Niphon believed the latter would need to include the return of some of Thaksin's frozen assets and Thaksin serving a nominal period, as short as "a few days," in jail. A deal with Thaksin was complicated because no one trusted Thaksin; Thaksin had further complicated matters with his incendiary rhetoric and by allowing his proxies to repeatedly impugn Privy Council Chair GEN Prem Tinsulanonda's character in the recent September 19 rally. Niphon said that although he was one of only several Democrats still on good terms with Thaksin and that Thaksin wanted to talk with him, Niphon's current positions with the PM and the Crown Prince made such a direct conversation impracticable.

[1](#)2. (C) On royal succession, Niphon asserted that when the time came, the Crown Prince would succeed his father, successfully reestablish his image in the mold of the King, and secure the monarchy's future in Thailand. The tricky part would come "in the transition phase." He argued that the

Prince had learned from his father's example and would be well-positioned to do the job; Niphon did not offer an explanation why the Crown Prince did not start emulating the King and Princess Sirindhorn's good works activities immediately, only that he could do so. According to Niphon, the Prince enjoyed good relations with Sirindhorn and did not feel threatened by her popularity. Niphon offered indirect indications of discomfort about the Crown Prince's meddling in the Police Chief saga, but suggested the affair would end shortly after PM Abhisit's return from the U.S. Niphon also expressed his profound disappointment with the lower court's decision in the Viktor Bout case (see paras 16-17).

¶3. (C) Comment: Niphon is the only Democrat we know of who advocates cutting a deal with Thaksin, but given his dual positions as PM Abhisit's defacto Chief of Staff and the Crown Prince's chief adviser, his views cannot be discounted. The devil, of course, is in the details, and even Niphon was hard pressed to outline a viable path forward to reconciliation. As it stands, we believe there are two primary obstacles. The first challenge lies in getting all the parties to the table. No deal seems possible without the following actors breaking bread together at the same time: Thakin's cronies in the United Front for Democracy against Dictatorship (UDD), aka "the red-shirts," as well as the formal opposition Puea Thai Party; PM Abhisit's representatives and the Democrats; the People's Alliance for Democracy (PAD), aka "the yellow-shirts;" and representatives from the Privy Council. As reported in reftels, the Privy Council would appear to be the most problematic piece of this particular puzzle, as we see no current appetite for talks. Secondly, any hypothetical deal would need to address Thakin's fugitive legal status and his confiscated assets.

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Given the tense atmospherics right now, it is hard for us to envision either side compromising on the question of jail time for Thaksin, something Niphon freely acknowledged. End Summary and Comment.

INCREASING POLITICAL RANCOR MAKES DIALOGUE DIFFICULT

¶4. (C) The Ambassador hosted PM Office Secretary General, Democrat Party deputy Secretary General, and chief adviser to the Crown Prince Niphon Promphan at the residence September 24 and asked him about the political impasse that has beset Thailand since the 2006 coup. Niphon expressed dismay with the tenor of the current political dialogue, remarking that it was as partisan and rancorous as he had ever seen it, a function he believed of the selfishness of politicians. When the Ambassador asked whether this phenomenon helped precipitate Thaksin's rise to power in 2001, Niphon argued that Thaksin had simply identified voter interests -- using a professional polling outfit -- and then tailored a domestic agenda accordingly.

¶5. (C) When the Ambassador asked whether Niphon retained any kind of rapport with Thaksin, Niphon replied that while they remained on good terms -- he was one of only one or two Democrats in that category -- they no longer talked. According to Niphon, Thaksin's intermediaries had made it clear that Thaksin would like to talk with him, but Niphon's current position in the government and especially his proximity to the Crown Prince meant that such a talk would be considered scandalous in the current political context.

¶6. (C) Turning to Thailand's formal political divide, Niphon expressed his personal commitment to crafting a solution through dialogue, mentioning his own engagement with former Thaksin lieutenant, banned Thai Rak Thai executive and ex-Justice Minister Pongthep Thepkanchana. From Puea Thai (PT), Thaksin's younger sister Yingluck Shinawatra was now Thaksin's conduit to PT MPs, even if she lacked a formal position in the party. Niphon stressed the need to expand the dialogue to include representatives from many sides,

including yellow-shirts and the Privy Council. When asked by Ambassador to suggest who from the Privy Council would be willing to participate, Niphon initially struggled to identify any one, finally suggesting Air Vice Marshal Kamthorn Sindvananda and Mr. Sawad Wattanayagorn. He also added Arsa Sarasin, the Principal Private Secretary.

¶17. (C) Niphon suggested at least three issues needed to be addressed: amending the constitution; basic accountability for gross legal infractions, and some package deal on amnesty/Thaksin. The Constitution amendment process had picked up steam, though a national referendum would be required. Both yellow and red would also have to accept culpability for breaking the law -- the yellow takeover of the airports in November-December 2008, the red violence in April, in which Niphon narrowly escaped. While there was some willingness for an amnesty of sorts, the main challenge was how to apply it to Thaksin. Public out of hand rejections aside, Niphon believed that this question could be addressed in private negotiations; there were three key issues: Thaksin's money; his acceptance of legal guilt; and his future role.

¶18. (C) On the issue of returning Thaksin's frozen assets, Niphon suggested one compromise would be a stiff capital gains tax on the gains made while Thaksin was PM, returning the balance to Thaksin. Niphon noted that Abhisit, not in power at the time of the judicial decision, had remarked that it was unfair for Thaksin to lose the assets he had when he entered office in 2001. The more difficult part involved Thaksin's legal standing; Niphon initially suggested a symbolic four days in jail before suspension/pardon might do

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the trick, before concluding Thaksin would likely refuse to spend even one day in jail.

¶19. (C) An additional complication, according to Niphon, would be a requirement that Thaksin stay out of politics. No one really trusted Thaksin, particularly the younger generation of Democrat MPs. Any deals with him would be viewed with great skepticism, particularly any promises to stay out of the political arena. Invoking the ghost of Neville Chamberlain and the Munich agreement with Hitler, Niphon concluded everyone was wary of making a peace with Thaksin that he likely would fail to respect.

¶10. (C) According to Niphon, one of Thaksin's biggest problems was the fact that he lacked a close adviser with good judgment. Thaksin wasn't receiving sound counsel and therefore too often made the wrong decision. He tended to, in other words, select the wrong tools from the proverbial tool kit; Niphon cited Thaksin's unleashing his proxies against General Prem during the September 19 red-shirt rally (REF A) as the perfect illustration. The profane attacks on General Prem's character made the Privy Council less inclined to consider reconciliation talks, Niphon stated.

POLICE CHIEF IMBROGLIO

¶11. (C) On the subject of the ongoing saga to name a new Police Chief (REF C), Niphon suggested that the issue would conclude within ten days of PM Abhisit's return from the United States, by the end of the first week of October. When the Ambassador asked how the issue would be resolved, noting first that it was widely known that Crown Prince Vajiralongkorn was pushing for Police General Jumpol Manmai over PM Abhisit's choice of Police General Prateep Tunprasert (note: who also allegedly has the Queen's backing. End note), Niphon shifted uncomfortably and initially replied merely that he knew who "his choice" was (note: Jumpol). When the Ambassador asked whether a third choice compromise candidate might be the solution, Niphon agreed that it might be a possibility, though he repeated that "his choice" was the correct choice, adding that he believed the matter should

have concluded long ago.

¶12. (C) When the Ambassador inquired whether the Crown Prince's direct intervention in the Police Chief selection process had implications for public perceptions of the role of the monarchy in governance, Nippon suggested that it did. Nippon acknowledged that the perceived intervention was unhelpful both for the Crown Prince and the monarchy.

CROWN PRINCE -- READY FOR PRIME TIME?

¶13. (C) Turning to the Crown Prince and the monarchy's role in Thailand in general, Nippon argued that Thailand was in many ways at a crossroads. Nippon estimated that a majority of Thai -- including nearly all of those over the age of 40 -- still strongly supported the monarchy. According to Nippon, Thai in the 18-40 age demographic in contrast were far more focused on their every day lives and economic well being, without a set view of the monarchy. This group could be swayed either way, though on balance he felt they would ultimately be more inclined to support the monarchy if engaged with a positive message.

¶14. (C) According to Nippon, the Crown Prince was well aware that he would inherit the throne at a critical moment in the monarchy's future, and Nippon believed the Crown Prince was ready to rise to the occasion (note: Nippon and Vajiralongkorn were boarding school classmates in England, at Millfield, from 1966-70. End Note). The Crown Prince understood the challenges -- particularly the challenges

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associated with following his father -- but he was confident nevertheless. Sharp and perceptive, the Crown Prince had been learning and absorbing lessons from his father since he was a child, claimed Nippon. The Crown Prince also had a great memory; Nippon cited a schoolboy exchange in which the Crown Prince described how, when he was three, he would take note when he overheard members of the Royal Court saying disparaging things about the King or Queen, file the conversations away, and then report them to his parents later that night.

¶15. (C) When the Ambassador noted that in some ways the Crown Prince was overshadowed by Princess Sirindhorn's popularity and charisma, Nippon remarked that this dynamic had not in any way negatively affected their close relationship. The Crown Prince was aware of what he needed to do in order to be a successful monarch, and he would change his personality and character overnight in order to fit the demands of the job, Nippon claimed. Such a transformation was not without precedent; Nippon cited General Prem's transition from general to PM. Prior to assuming the PM job, Prem had disliked businessmen to the point that he refused to allow them on his property. After he became PM, however, he started working very closely with the business community and would even fly around the world on road shows with businessmen to help drum up opportunities for them.

VIKTOR BOUT

¶16. (S) Nippon concluded the meeting by expressing his profound personal disappointment with the lower court verdict in the Viktor Bout extradition hearing, a feeling he suggested extended throughout the government, including the Prime Minister's office. Nippon said he hoped the issue would correct itself during the appeals process, and he reiterated that the Prime Minister was closely following it. (Note: When allegations that Bout's supporters were attempting to seek favor with associates of the Crown Prince emerged in early 2009, the Ambassador had engaged Nippon to shut the door on that possibility. See refs D and E. End Note.)

¶17. (C) The Ambassador thanked Nippon and noted that the RTG had been helpful at every step of the way, from the March 2008 arrest through preparation of the recent appeal. Policymakers in Washington understood the distinction between the RTG's close cooperation on the case and the lower court's decision. The latter was an outlier that did not in any way reflect the RTG's spirit of overall partnership. Nevertheless, overturning the lower court's decision on appeal would be absolutely critical both on the merits of the case and to avoid any negative impact on the overall U.S.-Thai relationship.
ENTWISTLE